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CANADA'S NEW GOVERNMENT INCREASES ACCESS TO CAPITAL FOR SMALL AND MEDIUM-SIZED BUSINESSES IN YUKON

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WHITEHORSE (June 22, 2007) - The Honourable Gerry Ritz, Secretary of State (Small Business and Tourism), on behalf of the Honourable Jim Prentice, Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, announced today a $2.45 million contribution to assist new and developing Aboriginal and non-Aboriginal businesses in Yukon.

"By increasing access to capital for small and medium-sized businesses in Yukon, Canada's New Government reinforces its commitment to support northern regional economies," said Mr. Ritz. "Business dreams can become reality and contribute to a sustainable and diversified economy, while generating employment opportunities for Yukoners."

This contribution, part of Indian and Northern Affairs Canada's *Targeted Investment Program*, will create the new *däna Näye Ventures Canada Loan Fund*. Administered by däna Näye Ventures, the fund will provide loans to a maximum of $100,000 each. These loans will help fund individuals and businesses having difficulty accessing financing through conventional means.

"This investment will help businesses overcome challenges they are faced with because of a limited access to capital," said Elaine Chambers, General Manager of däna Näye Ventures. "We now have the opportunity to meet the need for general-application loan funding to both Aboriginal and non-Aboriginal Yukon businesses."

däna Näye Ventures is a non-profit, Yukon based, Aboriginally-controlled institution that encourages successful business development by providing developmental finance and business training to entrepreneurs. Financing is available through independently-owned and managed loan funds. In order to qualify for a loan, an entrepreneur must apply for support and demonstrate, amongst other things, the financial viability of the proposed business.

Backgrounder - däna Näye Ventures Canada Loan Fund

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Backgrounder - däna Näye Ventures Canada Loan Fund

Indian and Northern Affairs Canada will contribute $2.45 million over three years to däna Näye Ventures for the creation of the *däna Näye Ventures Canada Loan Fund*, a fund targeting small and medium-sized businesses. Of this contribution, $1.8 million has been committed directly to the Fund, $450,000 will be allocated depending on results of the first $1.8 million, and $200,000 may be used to set-up and market the new Fund, process the initial round of loans, and undertake a small research component.

This funding addresses a need in Yukon for general-application loan funding. It is being offered under the *Targeted Investment Program*, one of the main programs under Canada's New Government's *Strategic Investments in Northern Economic Development* initiative, which focuses on strengthening the economic foundations of all three territories. The investment plan for Yukon was developed cooperatively by Indian and Northern Affairs Canada, the Yukon Government, and the Council of Yukon First Nations, with input from other economic players.

Under the Fund, general-application loans are available to both non-Aboriginal and Aboriginal applicants that have difficulty accessing financing through conventional lending establishments. With this new funding from Indian and Northern Affairs Canada, däna Näye Ventures will be able to increase its support for business activity in the small and medium-sized business sector. It is anticipated that there will be 20 new loans each year, each to a maximum of $100,000. The reporting period for the entirety of the funding will be five years.

The Fund will enable däna Näye Ventures to widen its base of support for Yukon businesses through its lending programs. Both Aboriginal and non-Aboriginal Yukoners are eligible to apply for loans through däna Näye Ventures, which has been administering loan programs since 1985. It has loaned money to clients from small and medium-sized businesses across the Yukon. One such loan was used to purchase equipment for a construction/grading company in a remote community, which has allowed that company to bid on contracts. That, in turn, has resulted in the growth of local employment opportunities.

däna Näye Ventures is an aboriginally-controlled non-profit developmental lender based in Whitehorse, serving the Yukon Region, including three communities in northern British Columbia. Established in 1985, as a sister company to the Yukon Indian Development Corporation, it is widely recognized as one of the best-managed Aboriginal Financial Institutions in Canada.

Individuals and businesses interested in applying for a loan should visit däna Näye Ventures's office in person or contact a däna Näye Ventures financial services officer at (867) 668-6925 or toll-free at 1-800-661-0448.

To learn more about däna Näye Ventures and their programs and services, please visit their Web site or e-mail dnv@dananaye.com.

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